

1 UNITED STATES DISTRICT COURT  
2 NORTHERN DISTRICT OF CALIFORNIA  
3 SAN JOSE DIVISION  
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6 IN RE: HIGH-TECH EMPLOYEE )  
7 ANTITRUST LITIGATION )  
8 ) No. 11-CV-2509-LHK  
9 THIS DOCUMENT RELATES TO: )  
10 ALL ACTIONS. )  
11 \_\_\_\_\_ )  
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14 CONFIDENTIAL - ATTORNEYS' EYES ONLY  
15 VIDEO DEPOSITION OF ED CATMULL  
16 January 24, 2013  
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19 REPORTED BY: GINA V. CARBONE, CSR NO. 8249, RPR, CCRR  
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03:11:37 1 then they have nothing.

03:11:38 2 So the long-term is, you know, what kind of  
03:11:42 3 favor is it if you are operating a business under a  
03:11:45 4 delusion. And half of these film companies are deluded,  
03:11:51 5 just to be candid. It goes along with the territory. I  
03:11:55 6 didn't want to play that game.

03:11:57 7 Q. When you said "seriously messes up the pay  
03:11:59 8 structure," were you referring to pay structure in the  
03:12:01 9 industry?

03:12:01 10 A. Well, I mean, it's up here. I can't speak  
03:12:09 11 beyond that. I'm trying to keep Dick from screwing up  
03:12:13 12 ILM.

03:12:17 13 Q. So when you said "seriously messes up the pay  
03:12:19 14 structure," were you talking about the pay structure of  
03:12:22 15 the companies in the Bay Area? Northern California?

03:12:27 16 A. Well, I'm -- I've got to be -- I'm -- my frame  
03:12:30 17 of mind is I'm trying to stop him from attacking ILM in  
03:12:35 18 particular, but any of the companies up here. I knew  
03:12:37 19 they were going to grow somewhere. But it's just -- you  
03:12:42 20 know, but I -- you know, was I thinking carefully about  
03:12:45 21 the full implication? I'm just trying to talk Dick into  
03:12:48 22 something.

03:12:48 23 Q. Got you. But it stands to reason, does it not,  
03:12:51 24 that if this fellow came into this area and raised  
03:12:55 25 salary or offered higher salaries to folks to come to

03:12:58 1 work for him, that that was going to put pressure on  
03:13:00 2 other companies to raise their salaries too? Because  
03:13:04 3 your employees would hear about it and they would  
03:13:05 4 want --

03:13:06 5 A. No. Wrong.

03:13:07 6 Q. Really?

03:13:07 7 A. No. The implication is they move overseas.  
03:13:12 8 That's the implication. That's what's happening right  
03:13:15 9 now.

03:13:16 10 Q. Well, I don't --

03:13:18 11 A. It's going to these other countries.

03:13:20 12 Q. I don't understand "seriously messes up the pay  
03:13:22 13 structure." Whose pay structure?

03:13:23 14 A. Here's the thing: If you got the pay structure  
03:13:25 15 industry of special effects, because this is a special  
03:13:28 16 effects company, all right, then it collapses and people  
03:13:30 17 still want the work, where are they going to go? So it  
03:13:33 18 messes up the pay structure. It does. It makes it very  
03:13:36 19 high. Which forces the studios who are only interested  
03:13:40 20 in the cost of their film, which is their  
03:13:41 21 responsibility, to go to the lower cost. Where is the  
03:13:44 22 lower cost? It's out of this country.

03:13:46 23 Q. Okay.

03:13:46 24 A. That's just the reality that we've got. And I  
03:13:50 25 do feel strongly about it.

03:13:52 1 Q. It's very clear you feel strongly about it. I  
03:13:56 2 don't quarrel with you about that.

03:13:57 3 A. I think it's right to the point. Like somehow  
03:13:59 4 we're hurting some employees? We're not. We have  
03:14:01 5 got --

03:14:02 6 Q. That, we can debate.

03:14:03 7 A. Well, no, I will debate it. All right? We  
03:14:05 8 have got a healthy, strong, vibrant culture at Pixar. I  
03:14:08 9 think one of the very best. We have the longest success  
03:14:11 10 record in the history of the motion picture industry.  
03:14:13 11 And I say we have the happiest employees because we care  
03:14:16 12 about all aspects of it. And I'm not doing it by  
03:14:20 13 thinking short-term, and that's the way they view it  
03:14:22 14 also.

03:14:22 15 Q. You went on to write, "I know that Zemeckis'  
03:14:25 16 company will not target Pixar, however, by offering  
03:14:28 17 higher salaries to grow at the rate they desire, people  
03:14:32 18 will hear about it and leave."

03:14:35 19 What people were you referring to about hearing  
03:14:37 20 about it and leaving?

03:14:45 21 A. Well, I'm not sure what I -- what this -- what  
03:14:47 22 this is here because he couldn't hire people -- they  
03:14:50 23 couldn't hire people from Pixar because they were part  
03:14:52 24 of the same company.

03:14:53 25 Q. Well, no, they couldn't recruit out of Pixar,

1 I, Gina V. Carbone, Certified Shorthand  
2 Reporter licensed in the State of California, License  
3 No. 8249, hereby certify that the deponent was by me  
4 first duly sworn and the foregoing testimony was  
5 reported by me and was thereafter transcribed with  
6 computer-aided transcription; that the foregoing is a  
7 full, complete, and true record of said proceedings.

8 I further certify that I am not of counsel or  
9 attorney for either of any of the parties in the  
10 foregoing proceeding and caption named or in any way  
11 interested in the outcome of the cause in said caption.

12 The dismantling, unsealing, or unbinding of  
13 the original transcript will render the reporter's  
14 certificates null and void.

15 In witness whereof, I have hereunto set my  
16 hand this day: January 28, 2013.

17 \_\_\_X\_\_\_ Reading and Signing was requested.

18 \_\_\_\_\_ Reading and Signing was waived.

19 \_\_\_\_\_ Reading and signing was not requested.

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GINA V. CARBONE

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